

Congressional Budget Justification **Fiscal Year 2018:** Summary



UNITED STATES
INSTITUTE OF PEACE
Making Peace Possible



UNITED STATES INSTITUTE OF PEACE

May 23, 2017

Hon. Hal Rogers, Chairman
House Appropriations Subcommittee on
State, Foreign Operations and Related Programs
United States House of Representatives

Hon. Lindsey Graham, Chairman
Senate Appropriations Subcommittee on
State, Foreign Operations and Related Programs
United States Senate

Hon. Nita Lowey, Ranking Member
House Appropriations Subcommittee on
State, Foreign Operations and Related Programs
United States House of Representatives

Hon. Patrick Leahy, Ranking Member
Senate Appropriations Subcommittee on
State, Foreign Operations and Related Programs
United States Senate

Dear Representatives and Senators:

On behalf of the Board of Directors of the United States Institute of Peace (USIP), we are pleased to present the Institute's FY 2018 Congressional Budget Justification for \$37,884,000. This request is the same as the enacted FY 2017 USIP appropriation and represents focused fiscal stewardship in preventing, reducing, and resolving violent conflicts in areas of vital interest to U.S. security.

Congress created USIP in 1984 as an independent, nonpartisan, federally funded institute dedicated to reducing armed conflict in accordance with our national interests and values. USIP complements the work of our military, diplomats, and development teams, preserving their hard-won gains. Specialized teams of USIP mediators and trainers work in some of the most fragile and dangerous places—Iraq, Afghanistan, Tunisia, Ukraine, South Sudan—to provide local populations with education, analysis, and skills for conflict resolution and reconciliation. No other agency provides these services.

USIP links research, policy, and training with application of practical solutions in conflict-affected countries to help stem the rising toll of violent conflict around the globe. The FY 2018 budget priorities will continue investments that are cost-effective contributions to our national security. USIP's agility is the key to success, and USIP's footprint will remain small as it strengthens U.S. security by reducing violence abroad.

We respectfully request \$37,884,000 in FY 2018 funding for USIP.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Nancy Lindborg", written in a cursive style.

Nancy Lindborg
President

A handwritten signature in black ink, appearing to read "Stephen J. Hadley", written in a cursive style.

Stephen J. Hadley
Chairman of the Board

FY 2018 Budget Request

	FY 2016 Enacted	FY 2017 Enacted	FY 2018 Request	Increase/ (Decrease)
United States Institute of Peace Appropriation	35,300,000	37,884,000	37,884,000	-

Summary

The United States Institute of Peace requests \$37,884,000 for Fiscal Year 2018, equal to its enacted appropriation in Fiscal Year 2017. The Institute requests these funds to sustain its congressional mandate to prevent and resolve violent conflicts abroad, in accordance with our national interests and values. USIP's specialized mission can prevent or lessen violent conflict, saving lives and money.

Congress founded USIP in 1984 as a nonpartisan, independent, national institute with a distinct mission: to promote “the resolution of conflicts among the nations and peoples of the world without recourse to violence.” Since then, USIP has shaped its priorities to match the evolution of threats to U.S. security and international stability. The past decade has seen a rise in intra-state conflicts, mainly within authoritarian, collapsed, or weakly governed states. The resulting civil wars have become internationalized, spawned more virulent forms of extremism and terrorism, and led to a doubling of the world's displaced population, which now stands at an unprecedented 65 million people, surpassing the numbers from World War II. The current wars have shattered communities and economies, destabilized U.S. allies, and increased U.S. humanitarian and security costs. Left unaddressed, this web of crises will lay the foundation for an even deadlier next generation of extremism and violence.

As **President Trump** underscored in his February 28 address to Congress, “The only long-term solution for these humanitarian disasters, in many cases, is to create the conditions where displaced persons can safely return home and begin the long, long process of rebuilding.” USIP's priorities are precisely to help nations create and sustain those conditions, and to **build their capacity to solve their own problems** peacefully in the future. By reducing violent conflict abroad, these priorities can lessen the need for costly U.S. or international humanitarian and military interventions, making USIP's work a vital, cost-effective contribution to national security.

REDUCING VIOLENCE TO FOSTER U.S. SECURITY

USIP deploys its team, and builds local partner organizations, to reduce violent conflicts that threaten U.S. interests

in security and stability, notably in the arc of turmoil stretching from Africa to the Middle East and South Asia. In priority target countries, the Institute works from the top down and from the bottom up to end violence—with prime ministers, parliaments and other government leaders, and with neighborhood faith-based, and grassroots groups. USIP and its local-partner mediators intervene directly where possible to help negotiate local agreements for peace. Institute teams train and support local officials, police, and civil society leaders to collaborate in redressing conflicts and grievances that risk bloodshed and create openings for violent, extremist groups to radicalize and recruit youth. USIP experts conduct research and analysis that show how violence can be halted more effectively, and share recommendations for policies with U.S. and other policymakers.

In theaters of warfare and extremism such as Iraq or Afghanistan, USIP's teams offers vital support to U.S. stabilization efforts. These experts work “outside the wire”—beyond the security perimeters of U.S. embassies or military facilities—with local partners to reduce conflict, violence, and extremism. USIP's programs help sustain hard-won military gains against ISIS and allied terrorist groups. USIP's independent analysis, is highly valued by U.S. government agencies.

The most consistent appraisals of USIP's contribution to U.S. national security have come from military and civilian professionals who have witnessed the Institute's work in theaters of conflict. **Retired Navy Admiral James Stavridis** has said that USIP “serves a critical function not elsewhere available in any other department or agency of the U.S. government.” Retired **Army Chief of Staff General Ray Odierno** is among theater commanders in Iraq and Afghanistan who have agreed, describing USIP's contribution to the U.S. military as “invaluable to building cultural awareness, training on conflict management, and post-conflict operations.” In commenting on USIP's operations in Afghanistan, **General John W. Nicholson (Commander U.S. Forces in Afghanistan)**, said, “USIP's work is critical for reducing the root causes of conflict and [has] helped consolidate the gains of Coalition and Afghan forces.” Bipartisan civilian leaders, such as former **Secretaries of State George P. Shultz and Madeleine Albright**, have endorsed USIP's value in reducing the

“In 2007, in Mahmoudiya [Iraq]...,USIP negotiated an arrangement among the tribes [and] violence went down dramatically. The U.S. military presence was able to reduce by 80 percent. It saved a lot of lives, it saved a lot of dollars, and that basic peace agreement among the tribes has held up for 10 years.”

—Stephen Hadley, United States Institute of Peace Board of Directors Chairman

causes of conflicts abroad and preventing them from erupting into violent crises.

COST EFFECTIVE CRISIS PREVENTION

Investments that prevent disasters—whether flood prevention, infrastructure maintenance, or conflict prevention—return outsized savings to the nation. USIP’s work of preventing or reducing violent conflict through mediation and reconciliation is magnitudes less costly than a military or humanitarian response once a full-blown crisis has erupted.

As a small and agile organization, USIP multiplies its impact by **leveraging local resources** in conflict zones such as Colombia, Nigeria, Tunisia, and Burma. The Institute cultivates partnerships large and small—from U.S. government agencies, the United Nations, and international non-governmental organizations, to local religious leaders or women activists in Kandahar or Baghdad. This partnering spans years and is cost-efficient, har-

nessing local energies and resources. It helps countries build institutions and capacities to resolve more peacefully their own conflicts in the future, without U.S. or foreign intervention. For example, a decade of work in Colombia established and strengthened grassroots, civil society groups that have strengthened that country’s 2016 peace accord.

USIP’S UNIQUE ROLE: INDEPENDENT PARTNER

USIP is effective because of its unique placement—in close partnership with U.S. government agencies, but separate from the Executive Branch. Congress mandated this status for USIP to prevent partisanship in its governance and ensure the independence of its research and analysis. At the same time, it ensured the government full visibility into USIP’s operations by including the secretaries of state and defense on a bipartisan Board of Directors appointed by the president and confirmed by the Senate. (See details on USIP’s governance on page 6.) This status has been vital to USIP’s conduct of research and analysis; fieldwork outside U.S. government security perimeters to reduce violence in conflict zones; and high-level policy reviews.

- **USIP’s fieldwork in conflict zones requires it to be separate from (even when partnered with) U.S. executive agencies.** To mediate amid violence—in countries like Iraq, Nigeria, or Colombia—USIP must build trust with many sides in a conflict. Yet local political tensions leave some people hesitant to work directly with U.S. embassies or military forces. Building the necessary trust for mediation in conflicts requires USIP to work daily outside U.S. government security perimeters.
- **The value of USIP’s research and analysis relies on its status as separate from executive agencies.** Notably in theaters of conflict, U.S. embassies and military stabilization missions seek and benefit from USIP research and analysis. USIP’s ability to engage intensively outside the wire with civil society and local government officials enhances its expertise and provides a valuable contribution to government partners.



USIP Board Chairman Stephen Hadley testifies on March 21, 2017, before the House Armed Services Committee on “America’s Role in the World”, emphasizing USIP’s training of local Iraqis to negotiate peace among the tribes and reduce or prevent violence as a critical way to save lives and money.

“USIP has a record of cost-effective contributions to US national security that saves lives while protecting our military, diplomatic, and development investments worldwide....No national security actor or private nonprofit organization can perform USIP’s congressionally mandated mission, and certainly none has ever done so at such a small cost to the American taxpayer.”

—George P. Shultz, former Secretary of State

USIP’s status as separate from executive agencies also allows it to work continuously, over the long timelines often required for conflict resolution work. In Iraq, the Institute has built relationships with local allies and resolved local conflicts through uninterrupted fieldwork over 14 years. USIP’s steady presence was facilitated by its status apart from the State and Defense Departments, where staff rotations typically are as short as one to two years, and where staffing levels in Iraq fluctuated widely.

- **Congress and the government have relied on USIP’s independence in hosting high-level policy reviews.** At Congress’ request, USIP in 2006 facilitated the **Iraq Study Group** (led by former Secretary of State James Baker and former Rep. Lee Hamilton). It convened the **Genocide Prevention Task Force** in 2007-2008 (chaired by former Secretary of Defense William Cohen and former Secretary of State Madeleine Albright). In 2008-2009, USIP facilitated the bipartisan commission appointed by Congress to review the **U.S. strategic nuclear posture** (led by former defense secretaries William Perry and James Schlesinger). And, finally, with the recent enactment of USIP’s FY 2017 appropriation, Congress has instructed the Institute to develop a **comprehensive plan to prevent violent extremism in fragile states in the Sahel, Horn of Africa, and the Near East**. These independent policy inquiries could not have been conducted within a policy-implementing agency.

USIP PRIORITIES: MIDDLE EAST, AFRICA, SOUTH ASIA

USIP applies practical solutions for preventing and resolving violent conflict in countries where peace and stability is in the U.S. national interest.

USIP promotes stability in **Iraq** by mediating in local, often tribal, conflicts alongside Iraqi partners who are trained and supported by the Institute. The initial success in **Mahmoudiya, virtually halted attacks on U.S. forces** and drastically reduced casualties when the accord was implemented in 2007. The Army was able to withdraw more than 2,800 troops—80 per-

cent of its deployment in the region—thus saving more than \$150 million per month. That initiative cost USIP approximately \$1 million, a reflection of the dramatic cost-effectiveness of conflict resolution work. A decade later Mahmoudiya remains relatively calm, largely on the basis of that peace accord, local leaders report.

The 2015 USIP-backed **peace accord among tribes in Tikrit** now has enabled more than 380,000 displaced residents to return home. Accords in 2016, also facilitated by USIP and its Iraqi partners, have averted eruptions of violence in the **cities of Yathrib and** aimed to do the same in **Hawija** once it is recaptured from ISIS. USIP and its partners are preparing reconciliation work for **the Mosul region** following its liberation from ISIS, in 2017-2018. An Iraqi organization established and mentored by USIP have helped lead these projects since 2014 and recently won independent funding for some of its work. By standing up this Iraqi civil-society capacity to mediate conflict alongside Iraq’s government, USIP’s work can help Iraq sustain its current military gains, and eventually enable Iraqis to solve their own internal conflicts, inhibiting future ISIS-style extremism without foreign intervention.

Amid **Syria’s** war, USIP is training and supporting Syrians—both within the country and in exile as refugees—to lead mediation and reconciliation in local disputes. With its partners, USIP is preparing to replicate a successful pilot project in the northeastern district of Al-Qahtaniya. That effort reduced Kurdish-Arab tensions, re-opened a road blocked by communal conflict, and allowed more than 700 residents uprooted by earlier clashes involving ISIS to return home. As in Iraq, local conflicts have been exacerbated by the current war, and will need to be resolved to support the success of an eventual national peace accord.

In **Afghanistan**, USIP organized a campaign that built public support for peaceful participation in the national elections of 2014, despite Taliban calls for violence. The Institute has provided analysis and mediation that improved coordination and prevented violence between Afghans

and forces from the U.S. and NATO. From its office in Kabul, the Institute's mainly Afghan staff works deep within Afghan civil society—often with partners who live in close proximity to Taliban supporters—to help local citizens and groups oppose Taliban extremism and violence. USIP is helping the Afghan government build province-level mediation councils and legal systems to resolve land disputes. It also trains and supports citizen anti-corruption groups that monitor government agency performance, reporting corruption such as “ghost” teachers in schools or understaffing in health clinics. All of these projects reduce local grievances that are exploited by the Taliban. The Institute is helping Afghan universities establish the first conflict resolution courses, promoting moderation and discouraging Taliban-style intolerance even on previously radicalized campuses.

In **Pakistan**, USIP supports Pakistani civil society groups, scholars, teachers, schools, filmmakers, and others, promoting communal tolerance and opposing radicalization, notably of young men, by the country's many extremist organizations. It does so by building relationships of trust with Pakistanis despite a political atmosphere that includes significant antipathy toward the U.S. government. One project trained faculty and youth activists at 20 universities to challenge youth extremism and intolerance, creating a network of 3,000 students and faculty working to oppose extremism on campuses. Another project convenes students from religious schools, or madrassas together with students from secular schools. This rare dialogue between deeply divided factions of Pakistani society led Pakistan's National Counter-Terrorism Authority to seek advice on building an institutional program for such dialogues.

In **Colombia**, USIP strengthened the peace process and last year's accord to end a 50-year civil war that displaced 7 million people. For more than a decade, USIP provided technical support and analysis in shaping the peace process. Half of all peace processes fail within five years, often because they exclude significant constituencies. Using its experience and research on peace processes, USIP helped broaden the Colombian process with training and public forums to ensure unprecedented participation by women, ethnic communities, religious leaders, and war victims who otherwise had been excluded.

Nigeria's Boko Haram insurgency and related violence have uprooted millions of people and destabilized the Lake Chad Region, resulting in famine in northeastern Nigeria and deepening flows of refugees regionally into Europe. Nigeria's polarized political culture makes violence-reduction fieldwork easier for an independent U.S. institute than for a U.S. government executive department. USIP works through partnerships built over a decade with government, civil society,

USIP'S Commitment to Cost Efficiency

With a vitally relevant mission and relatively modest budget, USIP prides itself on efficiency and on being a good steward of taxpayer dollars. USIP continues to seek opportunities to maximize efficiency and reduce costs, while maintaining a high level of impact on top national security priorities.

The Institute achieves efficiencies through persistent streamlining of operations, cost-saving initiatives, and prioritizing.

Recent efforts to further **streamline operations** resulted in the merger of three program units into a single center, consolidating USIP's tools and capabilities for training and education, applied research, and publications. The Institute also implemented a cutting-edge management model with empowered mid-level directors. Together, these reorganization efforts laid the foundation for streamlined decision-making, eliminated two senior positions, reduced administrative overlap across programs, and increased productivity.

Cost-saving initiatives include using the federal hiring freeze to reduce payroll costs, closely assess all vacancies, and identifying opportunities to re-engineer program structures to increase productivity.

Finally, USIP seeks to **concentrate its investments** in high-impact activity in conflict zones and expertise vital to U.S. national security. In a resource-constrained environment, USIP planning achieves close alignment of resources with its priorities. Compared to last year, this request reduces or eliminates work in several conflict zones around the world and three areas of expertise, allowing USIP to sustain a high level of engagement in core national security priorities such as Afghanistan, Pakistan, Iraq, Syria, and Tunisia; and in key issue areas like violent extremism and preventing electoral violence.

and religious leaders. USIP's work with a leading Muslim imam and Christian pastor helped mediate peace in Yelwa, where Christian-Muslim fighting had killed more than 1,000 people as of 2005. The institutions created then have maintained the peace for 12 years and the state government has established a USIP-style conflict-resolution office. As Nigeria fights Boko Haram in the north, USIP has convened northern state governors to plan the return of refugees, rebuilding of communities, reintegration of former militant



Tribal and community leaders and local government officials for Kirkuk Province participate in a dialogue facilitated by USIP-trained facilitators and members of Sanad for Peacebuilding and the Network of Iraqi Facilitators (NIF). Sanad and the NIF organized a series of dialogues and consultations that forged an agreement on how to achieve peace and stability in Hawija, after the city is liberated from ISIS.

fighters, and reconciliation to inhibit new radicalization. The Institute helped form, and supports, a group of eminent Nigerian academic, religious, political, and military figures to partner with the government in solving these problems and prompting broad, civic participation to strengthen the post-Boko Haram recovery.

In **Tunisia**, USIP operates in a polarized political atmosphere that includes constituencies wary of the U.S. government. Over years, USIP has built and trained a network of Tunisian partners, some of whom in 2016 facilitated an accord that has halted significant violence between Islamist and secular students at Manouba University, one of the country's most prominent schools. Moderation at Manouba is serving as a model nationwide to undercut extremism in the country that has been the single greatest recruiting ground for ISIS.

In the **Israeli-Palestinian conflict**, USIP conducted research and dialogues with Israeli and Palestinian security authorities to negotiate changes that enabled Palestinian police to gain access to communities they previously had been unable to reach. This effort brought local policing to more than 200,000 Palestinians in the West Bank and is promoting the building of essential trust between Israeli and Palestinian security forces.

A peaceful transition by **Burma (Myanmar)** from military to democratic rule, and an end to its civil wars, is important for U.S. interests in stability in South and Southeast Asia. To help

achieve the peaceful election in 2015 that shifted the country toward democracy, USIP led dialogues between police and political parties, and guided local election-security committees on ways to prevent tensions from erupting into violence. USIP also is training political, ethnic, religious, and civic leaders in mediation skills as part of strengthening the country's fragile peace process.

Amid the civil war and threat of famine and genocide in **South Sudan**, USIP is supporting the "Troika" of nations (the United States, the United Kingdom, and Norway) and the United Nations with research, analysis, and recommendations as those groups lead efforts to re-start the peace process that collapsed in 2015. USIP supports the Sudd Institute, an indigenous, independent research organization, which is at the center of efforts to revive a peace process and a formal "national dialogue" on the country's future. USIP's research on national dialogue processes has helped shape the discussion among diplomats on options for using that technique to stabilize South Sudan.

In the **Central African Republic**, a peace process stalled in the factional violence that has uprooted almost 1 million people, partly because of poor communication between the national government and local communities. USIP trained government officials and supported them in new, direct dialogues with communities. Some USIP trainees were named to a presidential office for reconciliation work, which then

gave a higher priority to setting up continuing dialogues with rural communities.

USIP has trained several thousand peacekeeping troops from African nations with skills to manage local conflicts nonviolently while protecting civilians. In 2017, it trained more than 1,000 peacekeepers from 12 African countries who deployed to missions in **Somalia**, **Sudan's Darfur** region, **South Sudan**, the **Central African Republic**, the **Democratic Republic of the Congo**, **Côte d'Ivoire** and **Mali**.

To promote stability in **Ukraine**, USIP conducted a pilot project to help refugees from war-damaged eastern Ukraine build leadership and reconciliation skills to mediate tensions and prevent violence with their host communities.

Conclusion

The men and women who work with the United States Institute of Peace in Washington, Kabul, Tunis, Baghdad, and other locations worldwide are dedicated to fulfilling its congressional mandate to prevent, reduce, and resolve violent global conflict and to serving as an enduring symbol of America's commitment to peace.

They support local people that work for peace, train U.S. military personnel on ways to build partnerships with local counterparts, engage thousands through online courses, and host high-level meetings to help inform policy in Washington. Their work preserves the gains made by U.S. military, development, and diplomatic efforts, and the result advances U.S. security interests. As an expression of America's values, these initiatives promote the cause of peace worldwide. USIP looks forward to continuing this vital work in FY 2018.



Nancy Lindborg listens as His Holiness discusses promoting peace during his visit to the United States Institute of Peace in June 2016.

USIP Board of Directors

Stephen J. Hadley, (Chair) National Security Advisor (2005-2009) and Deputy National Security Advisor (2001-2005) to President George W. Bush; Assistant Secretary of Defense for International Security Policy (1989-1993)

George E. Moose, (Vice Chair) Assistant Secretary of State for African Affairs (1993-1997); U.S. Alternate Representative to the United Nations Security Council (1991-1992); U.S. Ambassador to the Republic of Senegal (1988-1991) and the Republic of Benin (1983-1986)

Judy Ansley, Assistant to the President and Deputy National Security Advisor (2008-2009) to President George W. Bush; Staff Director, Senate Armed Services Committee (1999-2005)

Eric Edelman, Under Secretary of Defense for Policy (2005-2009); U.S. Ambassador to the Republic of Turkey (2003-2005) and the Republic of Finland (1998-2001)

Joseph Eldridge, University Chaplain and Senior Adjunct Professorial Lecturer, American University

Kerry Kennedy, President, Robert F. Kennedy Center for Justice and Human Rights

Ikram U. Khan, President, Quality Care Consultants, LLC

Stephen D. Krasner, Director, Policy Planning, U.S. Department of State (2005-2007); Director, Governance and Development, National Security Council (2002)

John A. Lancaster, Vietnam Combat Veteran, 1st Lt., U.S. Marine Corps (Ret.); former Executive Director, International Council on Independent Living

James Mattis, Secretary, U.S. Department of Defense

Major General Frederick M. Padilla, USMC, President, National Defense University

Jeremy A. Rabkin, Professor, George Mason School of Law

Rex Tillerson, Secretary, U.S. Department of State

J. Robinson West, (Chair Emeritus) Assistant Secretary of the Interior for Policy, Budget, and Administration (1981-1983); Deputy Assistant Secretary of Defense for International Economic Affairs (1976-1977)

Nancy Zirkin, Executive Vice President, Leadership Conference on Civil and Human Rights

ABOUT USIP

Congress established the U.S. Institute of Peace in 1984, led largely by members of Congress who were combat veterans of World War II and who sought to strengthen America's capacity to shape international affairs by preventing and reducing violent conflicts worldwide in accordance with national interests and values.

USIP's founders include Senators Mark Hatfield of Oregon and Spark Matsunaga of Hawaii. In World War II, Hatfield commanded Navy landing craft at the beaches of Iwo Jima and Okinawa; Matsunaga, an Army captain, fought in Europe and North Africa and was awarded the Bronze Star. In sponsoring legislation for the Institute, they were supported by a nationwide movement also led in part by World War II veterans.

Congress formed USIP as an independent, nonpartisan, national institution governed by a board of directors appointed by the president and confirmed by the Senate. USIP's fifth president is Nancy Lindborg, who served previously as assistant administrator for democracy, conflict, and humanitarian assistance at the U.S. Agency for International Development and as president of Mercy Corps.

By statute, USIP's programs are exclusively federally funded like other national security actors.

Headquartered in Washington, D.C., USIP maintains field offices in Baghdad and Erbil (Iraq), Kabul (Afghanistan), Islamabad (Pakistan), Tunis (Tunisia), and Yangon (Burma). On any given day, 40 percent of USIP personnel are deployed abroad on permanent or temporary duty confronting violent conflict or extremism.



Senators Mark Hatfield of Oregon, Spark Matsunaga of Hawaii and Jennings Randolph of West Virginia greet President Ronald Reagan in 1984 as he prepares to sign USIP's founding legislation. Hatfield and Matsunaga, who worked with Randolph to create the Institute, were motivated by their experiences as combat veterans of World War II to strengthen America's capacity to advance peace among nations.

